

DOCKET FILE COPY ORIGINAL

Before the
Federal Communications Commission
Washington, DC 20554

RECEIVED

JUL 11 2001

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Application by Verizon Pennsylvania, Inc.,)
Verizon Long Distance, Verizon Enterprise) CC Docket No. 01-138
Solutions, Verizon Global Networks, Inc.,)
And Verizon Select Services, Inc.)
For Authorization to Provide In-Region,)
InterLATA Services in Pennsylvania.)

COMMENTS

REGARDING APPLICATION BY VERIZON PENNSYLVANIA, INC.
FOR AUTHORIZATION TO PROVIDE IN-REGION,
INTERLATA SERVICES IN PENNSYLVANIA

SUBMITTED BY

Keep America Connected
National Association of Commissions for Women
National Association of Community Action Agencies
National Black Chamber of Commerce
National Indian Education Association
National Trust for the Development of African American Men
National Urban League

July 11, 2001

No. of Copies rec'd 015
List A B C D E

Table of Contents

Section	Page
I. Statement of Interests	3
II. Comments	6
III. Conclusion	10

The undersigned public interest, minority and consumer organizations hereby support the Application by Verizon Pennsylvania Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks, Inc., and Verizon Select Services, Inc., (hereinafter referred to as Verizon) filing requesting FCC authorization to provide in-region, interLATA services in Pennsylvania. We urge the Commission to undertake an expeditious review and approval of Verizon's 271 application.

We are brought together in our support for Verizon's Pennsylvania 271 application as being in the public interest and of real benefit to telecommunications consumers in the State of Pennsylvania. The primary goal of the Telecommunications Act of 1996 is to promote competition in the telecommunications marketplace. Verizon has demonstrated that it has met the tests of the Act and its entry as a long distance competitor will open the floodgates of competition in Pennsylvania.

I. Statement of Interests

Keep America Connected! (KAC) is an organization comprised of groups whose demonstrated goals involve promoting a variety of telecommunications issues. The primary goal of KAC is that regardless of income, race, disability, age, ethnicity or geographical location, affordable access to the use of the modern telecommunications infrastructure and services should be available. This goal is best achieved through the rapid development of a fully competitive marketplace that ensures that

consumers across the nation will have access to more services at lower prices.

National Association of Commissions for Women (NACW)

represents local commissions established to promote the interests of women in cultural, social, and economic fields. NACW supports policies and programs that empower women to make informed choices about all aspects of their lives. NACW has been active in the debate on telecommunications reform, supporting legislative and regulatory initiatives to encourage competition, thereby creating new options and services for women as consumers and in their businesses.

National Association of Community Action Agencies (NACAA)

serves as a national forum for policy on poverty and to strengthen, promote, represent and serve its network of member agencies to assure that the issues of the poor are effectively heard and addressed. NACAA advances the economic condition, educational attainment, political influence, health and civil rights of low-income Americans through community-based programs operating at more than 900 Community Action Agencies nationwide. It is NACAA's mission to ensure that low-income Americans are not left behind.

National Black Chamber of Commerce (NBCC) is dedicated to economically empowering and sustaining African American communities through entrepreneurship and capitalistic activity within the United States and via interaction with the Black Diaspora. This business association represents 64,000 Black owned

businesses and provides an advocacy that reaches all 640,000 Black owned businesses. NBCC supports legislative and regulatory initiatives that encourage competition, thereby creating additional options for businesses.

National Indian Education Association (NIEA) supports traditional Native cultures and values, to enable Native learners to become contributing members of their communities, to promote Native control of educational institutions, and to improve educational opportunities and resources for American Indians, Alaska Natives, and Native Hawaiian's throughout the United States. NIEA has promoted the interests of Native Americans in telecommunications to Congress, before the FCC and in the courts.

National Trust for the Development of African American Men (BMW) works to ensure the success of African-Americans especially males through economic and political empowerment by the use and development of our communities, resources, and collected skills (such as organizational and leadership) and by an understanding and a reawakening of our history, culture, and value. To accomplish this mission, ^{The Trust} BMW has identified strategic goals that support the organization's efforts to further the empowerment of the African American community at the public and private sectors level, and enhance the image of the African American community.

National Urban League, Inc. (NUL), founded in 1910, is the premier social service and civil rights organization in America. The League is a nonprofit, community-based organization

headquartered in New York City, with 115 affiliates in 34 states and the District of Columbia. The mission of the National Urban League is to assist African Americans in the achievement of social and economic equality. The League implements its mission through advocacy, bridge building, program services and research.

II. Comments

The Commenters support Verizon Pennsylvania's application with the Commission. Verizon's application comes after diligent work to meet the 14-point competitive checklist specified in the Telecommunications Act of 1996. The requirements of Section 271(c) include the 14-point competitive checklist for access and interconnection on fair and nondiscriminatory terms, as well as nondiscriminatory access to Verizon's Operations Support Systems (OSS) and the existence of appropriate OSS performance measures and remedies.

In Verizon's fulfillment of these requirements, the Commencer's refer to the independent audit administered by KPMG Peat Marwick LLP. As in Verizon's OSS testing in New York, KPMG Peat Marwick LLP has given Verizon high marks in a comprehensive test of its back office systems in Pennsylvania. KPMG Peat Marwick LLP's 641-page report submitted to the Pennsylvania PUC documents Verizon's systems as performing extremely well. The report examined 569 "test points" involving Verizon's OSS, which are used by competitors to switch customers' local phone service

from Verizon. The testing demonstrated that competitors can compete effectively using Verizon's systems.

Rapid deployment of a fully competitive marketplace will ensure that consumers in Pennsylvania and across the nation will have affordable access to modern telecommunications products and services. It is clear that Verizon has opened the Pennsylvania market to local competition. KPMG Peat Marwick LLP's report has been one of the most exhaustive, comprehensive and expensive reviews conducted by a Pennsylvania agency. More than 80 competitors can and do rely on Verizon's systems to offer local telephone service to Pennsylvania. In fact, Verizon's systems allow competitors to serve more than two million active phone numbers throughout the state. Accordingly, Verizon should be granted federal permission to offer long-distance service to Pennsylvania consumers.

In a 3-2 vote, the Pennsylvania PUC found that Verizon has demonstrated its compliance in most respects. The Pennsylvania PUC mandated that Verizon comply with several conditions to demonstrate to the Commission's full satisfaction that the market in Pennsylvania is fully and irreversibly open to competition. In response, Verizon notified the Pennsylvania PUC that its conditions would be met.

The Commenters believe there is ample evidence that Verizon's application is stronger than that those approved by the FCC for Massachusetts, New York and Texas. KAC notes that since Verizon (formerly Bell Atlantic) was granted permission to

provide long-distance service in New York, more than one million consumers signed up for Verizon's services in just eight months. Indeed, the Telecommunications Research and Action Center's (TRAC) study of telephone competition in New York, conducted in April 2001, found that New York consumers saved up to \$217 million as the result of increased telephone competition (see attached). The study goes on to state that approximately 1.7 million residential customers have switched to Verizon for their long distance service while 2.7 million have switched their local service provider to AT&T, MCI or one of the other competitive local service providers.

Other positive outcomes of allowing Verizon into the long distance market has been their introduction of simpler and less expensive plans than most other carriers and the launching of innovative packages. For example, in New York, Verizon has introduced several calling plans with rates as low as 5 cents a minute during off-peak hours as well as plans with no minimum charges. The company has also demonstrated its commitment to serve its residential consumers' unique needs by introducing affordable international rates for calls to the Caribbean, which has proved to be especially popular. In addition, Verizon has extended off peak hours by an additional three hours (from 5 p.m. to 8 a.m. instead of the usual 7 p.m. to 7 a.m.). This allows consumers to make more calls during times that make sense for them.

The introduction of these affordable, competitive and innovative plans has been particularly attractive to the low-volume customers who most long distance companies find unattractive. The Commenters are especially pleased that Verizon offers a low-cost plan with no monthly fees or minimum usage fees for low volume users. This calling plan (known as the Timeless Calling Plan) provides consumers with a flat, low rate of 10 cents per minute and customers are automatically enrolled in this plan if they fail to select a more customized calling plan. This automatic enrollment in the Timeless Calling plan is a consumer-friendly action, unlike the practice of other long distance companies who charge customers higher "basic" rates if they do not enroll in a more compatible calling plan.

The Commenters anticipate that the company will uphold the precedent set in New York and offer residential consumers in Pennsylvania calling plans that are simpler and less expensive than most carriers as well as innovative calling plans which meet the unique calling needs and patterns of Pennsylvania consumers.

The Commenters believe the Verizon's application should be approved on its merits and for its ability to bring reality to the competitive goals of the 1996 Act. Pennsylvania consumers deserve the opportunity of choice for their local, long distance and advanced telephony services. It is not in the public interest to delay or deny for any considerable period of time, the entry of a new and major competitor for long distance services in Pennsylvania. As in New York, Pennsylvania consumers will

recognize immediate benefits from competition, once Verizon begins to offer long distance service in the state.

III. Conclusion

The Commenters again assert that the Verizon Pennsylvania's long distance application should be approved. According to comprehensive tests conducted by KPMG Peat Marwick and the close scrutiny of the Pennsylvania PUC -- Verizon and Pennsylvania are ready for competition. The Commenters trust that the Commission will come to this same conclusion and take positive steps to offer Pennsylvania consumers the benefits of competition that the 1996 Act envisioned. The Commission must look at the pro-competitive benefits of Verizon's Pennsylvania long distance application and quickly approve it.

Respectfully submitted,

Shaun D. Wiggins

Shaun D. Wiggins, Executive Director
Keep America Connected!
P.O. Box 27911
Washington, DC 20005

Patricia T. Hendel, President
National Association of Commissions
for Women
8630 Fenton Street, Suite 934
Silver Spring, MD 20919

John Buckstead, Executive Director
National Association of Community
Action Agencies
1100 17th Street, N.W., Suite 500,
Washington, DC 20036

Harry Alford, President and CEO
National Black Chamber of Commerce
1350 Connecticut Avenue, NW Ste. 825
Washington, DC 20036

John Cheek, President
National Indian Education Association
700 North Fairfax Street, Suite 210
Alexandria, VA 22314

Garry Mendez, Jr., Executive Director
National Trust for the Development of
African American Men
6811 Kenilworth Avenue, Ste 501
Riverdale, MD 20783-1333

Milton J. Little, Jr., Executive Vice
President & COO
National Urban League
120 Wall Street
New York, NY 10005